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15 AMTCR, INC., AMTCR NEVADA, INC., and  
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16  
17 **UNITED STATES DISTRICT COURT**  
18 **DISTRICT OF NEVADA**

19 U.S. EQUAL EMPLOYMENT  
20 OPPORTUNITY COMMISSION,

21 Plaintiff,

22 vs.

23 AMTCR, INC., AMTCR NEVADA,  
24 INC., AMTCR CALIFORNIA, LLC  
collectively dba McDonald's, and  
25 DOES 1-10, inclusive

26 Defendants.

**Case No. 2:21-cv-01808-JAD (NJK)**

**CONSENT DECREE AND ORDER**

Honorable Jennifer A. Dorsey  
U.S. District Judge

1        **I. INTRODUCTION**

2        Plaintiff U.S. Equal Employment Opportunity Commission (the “EEOC” or  
3        “Commission”) and Defendants AMTCR, Inc., AMTCR Nevada, Inc., and  
4        AMTCR California, LLC (hereinafter collectively “Defendants”) hereby stipulate  
5        and agree to entry of this Consent Decree to resolve the Commission’s Complaint,  
6        filed under Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §  
7        2000e *et seq.* (“Title VII”). The Commission alleges Defendants engaged in  
8        unlawful employment practices by subjecting Charging Party and other aggrieved  
9        individuals to a sexually hostile work environment in violation of Section 703(a) of  
10       Title VII, 42 U.S.C. § 2000e-2(a). The Commission further alleges that due to the  
11       ongoing sexually hostile and abusive working conditions and Defendants’ failure to  
12       remedy the harassment, Charging Party was subjected to constructive discharge in  
13       violation of Section 703 (a) of Title VII. Defendants deny all claims made by the  
14       EEOC in this action and denies any wrongdoing or liability.

15       **II. PURPOSES AND SCOPE OF THE DECREE**

16       In the interest of resolving this matter, the Parties have agreed that this  
17       Action should be finally settled by entry of this Decree. This Decree shall be  
18       binding on and enforceable against Defendants, as well as their parents,  
19       subsidiaries, officers, directors, agents, successors, and assigns. According to  
20       Defendants, there are currently eighteen (18) stores in operation and three (3)  
21       recently closed stores, as reflected in the **Exhibit “A,”** attached hereto. For  
22       purposes of Monetary Relief and Claims Administration contained in Section IX of  
23       this Decree, the scope includes the twenty-one (21) stores listed in Exhibit A. For  
24       purposes of Injunctive Relief contained in Sections X and XI of this Decree, the  
25       scope is company-wide, and includes all of Defendants’ Nevada, California, and  
26       Arizona stores in operation at any time during the duration of this Decree and the  
27       stores currently in operation listed in Exhibit A, unless otherwise indicated.

28

1 The Parties shall bear their own costs and attorney's fees in this Action. The Parties  
2 have entered into this Decree for the following purposes:

- 3       A. To provide appropriate monetary and injunctive relief;
- 4       B. To ensure that Defendants' employment practices comply with  
5           pertinent laws regarding discrimination, harassment, and related  
6           retaliation;
- 7       C. To ensure that Defendants maintain workplaces free of discrimination,  
8           harassment, and related retaliation;
- 9       D. To ensure that Defendants take reasonable steps to prevent and correct  
10          discrimination, harassment, and related retaliation;
- 11       E. To review and update, as necessary, Defendants' policies, practices,  
12          and procedures with respect to discrimination, harassment, and related  
13          retaliation;
- 14       F. To review and ensure effective training for Defendants' employees,  
15          managers, supervisors, and human resources personnel with respect to  
16          the pertinent laws regarding discrimination, harassment, and related  
17          retaliation;
- 18       G. To ensure proper accountability and appropriate and effective handling  
19          of complaints of harassment, discrimination and retaliation;
- 20       H. To ensure appropriate review, recordkeeping, and reporting related to  
21          discrimination, harassment, and related retaliation in Defendants'  
22          workplaces; and
- 23       I. To avoid the time, expense, and uncertainty of litigation.

24

25       **III. DEFINITIONS**

26       A. "Action" is *U.S. Equal Employment Opportunity Commission vs.*  
27           *AMTCR, Inc., AMTCR Nevada, Inc. and AMTCR California, LLC,*

1                   *collectively McDonald's, and DOES 1-10, Inclusive; Case No. 2:21-*  
2                   *cv-01808-JAD (NJK) (D. Nev.)*

3                   **B.** "Claims Administrator" is an independent company responsible for  
4                   handling administration of the claims process in accordance with this  
5                   Decree.

6                   **C.** "Settlement Fund" is the escrow account into which Defendants will  
7                   cause to be deposited for distribution to yet to be identified claimants  
8                   who have been determined by the EEOC to be eligible for monetary  
9                   relief in accordance with the terms of this Decree.

10                  **D.** "Claim Form" is the form developed by the EEOC and reviewed by  
11                  Defendants in accordance with this Decree to determine whether a  
12                  Claimant will be designated as an Eligible Claimant.

13                  **E.** "Notice of Settlement" is the notice prepared by the EEOC to advise  
14                  potential Claimants of the settlement, terms of the Decree, and  
15                  information for submitting a Claim Form.

16                  **F.** "Distribution List" is the list of Eligible Claimants, the amounts to be  
17                  paid to each, and the addresses to where payment should be sent.

18                  **G.** "Eligible Claimant" is an individual who meets all of the following  
19                  requirements: (i) is a Claimant who was employed at any of the  
20                  twenty-one (21) stores listed in Exhibit A at any time during the period  
21                  January 1, 2017 to the Effective Date of this Decree; and (ii) based on  
22                  the EEOC's sole discretion, is determined to be eligible for monetary  
23                  relief from the Settlement Fund.

24                  **H.** "Potential Claimant" is an individual who may be eligible for  
25                  monetary relief from the Settlement Fund, but who has not yet been  
26                  determined to be eligible by the EEOC.

27                  **I.** "Effective Date" is the date this Decree is entered by the Court.

#### IV. RELEASE OF CLAIMS

- A. The Parties agree that this Decree completely and finally resolves all allegations raised by the EEOC in its Complaint against all named Defendants in this Action and fully resolves Charge No. 487-2017-01281.
- B. Nothing in this Decree will be construed to limit or reduce any of Defendants' obligations to comply fully with Title VII or any other federal employment statute.
- C. Nothing in this Decree shall be construed to preclude the EEOC from bringing suit to enforce this Decree in the event that Defendants fail to perform the promises and representations contained herein.
- D. This Decree in no way affects the EEOC's right to bring, process, investigate, or litigate charges that may be in existence or may later arise against Defendants other than claims brought in this Action.

## V. JURISDICTION

- A.** The Court has jurisdiction over the Parties and the subject matter of this litigation. *See* 29 U.S.C. § 626(b). The Action asserts claims that, if proven, would authorize the Court in its discretion to grant the equitable relief set forth in this Decree. The terms and provisions of this Decree are fair, reasonable, and just. This Decree conforms to the Federal Rules of Civil Procedure and Title VII and is not in derogation of the rights or privileges of any person.
- B.** The Court will retain jurisdiction of this Action for the duration of the Decree for the purposes of entering all orders, modifications, judgments, and decrees that may be necessary to fully implement the relief provided herein.

## **VI. EFFECTIVE DATE AND DURATION OF DECREE**

- A. The provisions and agreements contained herein are effective immediately upon the date which this Decree is entered by the Court (“the Effective Date”).
- B. Except as otherwise provided herein, this Decree will remain in effect for three (3) years after the Effective Date and shall expire by its own terms at the end of the third year after the Effective Date without further action by the Court or the EEOC.

## **VII. MODIFICATION AND SEVERABILITY**

- A. This Decree constitutes the complete understanding of the Parties with respect to the matters contained herein. No waiver, modification, or amendment of any provision of this Decree will be effective unless made in writing and signed by an authorized representative of each of the Parties.
- B. If one or more provisions of the Decree are rendered unlawful or unenforceable, the Parties will make good faith efforts to agree upon appropriate amendments in order to effectuate the purposes of the Decree. If any provision of the Decree is rendered unlawful or unenforceable, the remaining provisions will remain in full force and effect unless the purposes of the Decree cannot, despite the Parties' best efforts, be achieved.
- C. By mutual written agreement of the Parties, this Decree may be amended or modified in the interests of justice and fairness in order to effectuate the provisions herein.

## **VIII. COMPLIANCE AND DISPUTE RESOLUTION**

## A. EEOC Review Regarding Compliance

1        Defendants agree that the EEOC may review compliance with this Decree.  
2 The EEOC may request from the EEO Monitor, as defined in Section XII.A., a  
3 copy of any document received or created by the EEO Monitor as a result of the  
4 EEO Monitor's duties as described in this Decree. The EEOC may request from the  
5 Claims Administrator, as defined in Section IX.D., a copy of any document  
6 received or created by the Claims Administrator as a result of the Claims  
7 Administrator's duties as described in this Decree. The EEOC may request that  
8 Defendants permit the EEOC to interview employees, including those selected by  
9 the EEOC, or inspect Defendants' records. Defendants will comply with any such  
10 request to review, interview, or inspect within thirty (30) calendar days of the  
11 EEOC's request, unless otherwise agreed by the Parties.

12        **B. Non-Compliance**

13        The Parties expressly agree that if the EEOC has reason to believe that  
14 Defendants have failed to comply with any provision of this Decree, the EEOC may  
15 initiate a lawsuit in the appropriate Federal Court to enforce this Decree, seeking all  
16 available relief, including an extension of the term of the Decree, the EEOC's costs  
17 and any attorneys' fees incurred in securing compliance with the Decree, additional  
18 monetary relief, additional injunctive relief, and/or any other relief the Court deems  
19 appropriate.

20        Prior to initiating such action, the EEOC will notify Defendants and their  
21 legal counsel of record, in writing, of the nature of the dispute. This notice shall  
22 specify the particular provision(s) that the EEOC believes Defendants have violated  
23 or breached. Defendants shall have thirty (30) calendar days from receipt of such  
24 written notice to attempt to resolve or cure the breach. The Parties may agree to  
25 extend this period upon mutual consent. The Parties agree to cooperate with each  
26 other and use their best efforts to resolve any dispute referenced in the EEOC  
27 notice.

28

1           **IX. MONETARY RELIEF AND CLAIMS ADMINISTRATION**

2           **A. Total Settlement Amount**

3           1. In settlement of this lawsuit, Defendants shall pay a total of  
 4           \$1,997,500 (“Total Settlement Amount”) in monetary relief. The Total Settlement  
 5           Amount will be distributed to Eligible Claimants, including Charging Party Shawn  
 6           Sarbacker, in accordance with the terms of this Decree.

7           2. The EEOC has full and complete discretion under the terms of  
 8           this Decree to determine who is an Eligible Claimant and the amount of such  
 9           payments, as hereinafter described in this Decree.

10           3. The Parties agree that the monetary relief amount to each  
 11           Eligible Claimant will be characterized as non-wage compensation. Defendants  
 12           will issue a Form 1099 to each Claimant in the amount of his/her non-wage  
 13           monetary relief. No tax withholdings shall be made. Defendants shall make all  
 14           appropriate reports to the Internal Revenue Service and other tax authorities.  
 15           Neither the EEOC nor Defendants make any representations, or assume any  
 16           responsibility for any tax liability, assessments, interest, penalties and/or costs that  
 17           the Charging Party or the Eligible Claimants may or may not incur on such  
 18           payments under local, state or federal law.

19           **B. Initial Distribution List and Payments to Charging Party and**  
 20           **Currently Identified Eligible Claimants**

21           The EEOC shall provide Defendants with an Initial Settlement Distribution  
 22           List identifying each currently identified Eligible Claimant, each Claimant’s  
 23           monetary allocation, Charging Party’s monetary allocation, and the name and  
 24           address to which each currently identified Eligible Claimant’s settlement check  
 25           shall be delivered, as well as each Claimant’s completed W-9 tax reporting form.

26           Within ten (10) business days of receiving the EEOC’s Initial Settlement  
 27           Distribution List and tax reporting forms, Defendants shall send a check in the  
 28           amount specified, via certified mail, to Charging Party and each identified Eligible

1 Claimant at the address provided. Within five (5) calendar days after mailing any  
2 payment to these Eligible Claimants, Defendants shall electronically serve a copy  
3 of the checks to Anna Y. Park, Regional Attorney, U.S. Equal Employment  
4 Opportunity Commission at anna.park@eeoc.gov and lado.legal@eeoc.gov.

5 **C. Settlement Fund for Unidentified Eligible Claimants**

6 The remaining balance from the Total Settlement Amount in Section IX.A.  
7 shall be designated as a “Settlement Fund” to provide compensation to yet to be  
8 identified Eligible Claimants that the EEOC determines to be entitled to relief in  
9 this action. Within thirty (30) calendar days of the Effective Date of this Decree,  
10 Defendants shall deposit these monies into an interest-bearing escrow account and  
11 provide the EEOC with written verification of the funding within ten (10) calendar  
12 days thereafter. The EEOC shall retain sole discretion to determine the allocation  
13 of monies from the Settlement Fund to these yet to be identified Eligible Claimants.

14 **D. Claims Administration of Settlement Fund**

15 **1. Claims Administrator’s Duties and Responsibilities**

16 Within thirty (30) calendar days of the Effective Date, Defendants shall hire  
17 and appoint a Claims Administrator, approved by the EEOC, to oversee the claims  
18 process and payments to yet to be identified Eligible Claimants as directed by the  
19 EEOC in the manner provided in this Decree.

20 The Claims Administrator will work with the EEOC and Defendants to carry  
21 out the terms of the Decree. The Claims Administrator will be responsible for: (a)  
22 establishing, within fifteen (15) calendar days of being appointed, an escrow  
23 account to hold in trust the Settlement Fund and notifying the EEOC and  
24 Defendants when the account is established and ready for deposit of the Settlement  
25 Fund; (b) receiving and holding the Settlement Fund in trust, until distribution; (c)  
26 establishing an informational website accessible to the Parties and Potential  
27 Claimants; (d) establishing an email address, mobile phone number, and/or other  
28 digital means of contact accessible to Potential Claimants to submit questions and

1 Claim Forms as defined in this Decree; (e) establishing a toll-free telephone number  
2 accessible to Potential Claimants; (f) responding to information requests from  
3 Potential Claimants; (g) sending Notices of the Settlement, and Claim Forms to  
4 Potential Claimants; (h) obtaining updated addresses for Potential Claimants and re-  
5 mailing returned notices; (i) receiving and processing Claim Forms as provided in  
6 the Decree; (j) assist with scoring Claim Forms based on criteria provided by the  
7 EEOC; (k) receiving documents and information from Potential Claimants to  
8 forward to EEOC; (l) sending notices regarding eligibility and monetary allocation  
9 to Eligible Claimants; (m) sending notice of ineligibility to Potential Claimants and  
10 anyone else determined by the EEOC to be ineligible; (n) issuing payments to  
11 Eligible Claimants in accordance with the final Distribution List provided by the  
12 EEOC; (o) issuing tax reporting forms to each Eligible Claimant who receives a  
13 settlement payment; (p) if necessary, filing tax returns and issuing IRS Form 1099's  
14 with respect to the Settlement Fund; (q) communicating as necessary with the  
15 EEOC and Defendants; (r) tracking all necessary data regarding contact with  
16 Potential and recently identified Eligible Claimants; (s) reissuing checks where  
17 required in consultation with the EEOC; (t) final distribution of the Settlement  
18 Fund; and (u) if necessary, redistributing any remaining monies from the Settlement  
19 Fund to Eligible Claimants at EEOC's sole discretion as provided in this Decree.

20 **2. Claims Administrator's Selection and Approval**

21 If the Claims Administrator initially appointed by Defendants thereafter  
22 declines to serve or to carry out its duties under this Decree, Defendants will have  
23 ten (10) business days to notify the EEOC in writing of the need for a replacement  
24 Claims Administrator and will provide the EEOC with the name of a new Claims  
25 Administrator for approval by the EEOC. If the EEOC objects to the appointment  
26 of the new Claims Administrator identified by Defendants, the Parties will meet  
27 and confer until they reach mutual agreement on a replacement Claims  
28

1 Administrator. In the absence of an agreement of the parties, the EEOC may  
2 appoint a Claims Administrator.

3 **3. Claims Administrator's Fees and Costs**

4 Defendants will pay all costs associated with the selection and retention of  
5 the Claims Administrator as well as the performance of the Claims Administrator's  
6 duties under this Decree.

7 **4. Claims Process and Distribution of Settlement Fund**

8 a. Website, Email Address, and Toll-Free Telephone Number

9 Within thirty (30) calendar days after being retained, the Claims  
10 Administrator shall: (i) establish a website in English and Spanish which will be  
11 accessible to the Parties and potential Claimants; (ii) establish an email address for  
12 purposes of communicating with potential Claimants by email; and (iii) establish a  
13 toll-free telephone number which will be accessible to potential Claimants in  
14 English and Spanish. The website and/or email address will be set up so that  
15 Potential Claimants may obtain and submit a Claim Form either electronically or  
16 via U.S. Mail.

17 Information posted on the website and available on a recorded message on  
18 the toll-free telephone number will be limited to the general information included in  
19 the Notice of Settlement sent to Potential Claimants or updated information as to  
20 status of the claim process (*e.g.*, claim-filing deadline; projected distribution date  
21 when known). The website will provide information regarding the Settlement Fund  
22 and how to complete the Claim Form in either English or Spanish. The website  
23 shall include an embedded Claim Form in English and Spanish for downloading by  
24 potential Claimants. The website shall also explain how potential Claimants can  
25 seek assistance in completing the Claim Form.

b. List of Potential Claimants

Within forty-five (45) calendar days of retaining the Claims Administrator, Defendants will provide the Claims Administrator with a list of all current and former employees who were employed at any of Defendants' twenty-one (21) stores listed in Exhibit A at any time during the period January 1, 2017 to the Effective Date of this Decree ("List of Potential Claimants").

For each individual on the List of Potential Claimants, Defendants will provide the following information from its records, to the extent known by Defendants: (i) full name, including all known prior names or aliases; (ii) last known address; (iii) date of birth; (iv) Social Security number; (v) employee identification number, if any, and if different from the employee's Social Security Number; (vi) last known telephone numbers; (vii) last known email addresses; (viii) dates of employment at any of the Defendants; and (ix) any relevant documents or information related to the claims for the EEOC to consider.

c. Notice of Settlement and Claim Form

After the Claims Administrator is retained, the EEOC will provide the Claims Administrator with the following forms: (i) Notice of Settlement, and (ii) Claim Form. The EEOC will afford Defendants an opportunity to provide input on the Notice of Settlement and Claim Form before issuance to Potential Claimants, but the EEOC will make the final determination regarding the form and contents of these documents.

d. Mailing Notice of Settlement and Claim Form

Upon receipt of the List of Potential Claimants from Defendants, the Claims Administrator will first utilize available resources including a database search to update email addresses and mailing addresses. Using the updated mailing addresses, the Claims Administrator will send via U.S. Mail the Notice of Settlement, the Claim Form, and a return envelope addressed to the Claims Administrator to each Potential Claimant. Moreover, the Notice and the Claim

1 Form will also be sent via electronic mail at the earliest possible date, but no later  
2 than twenty-eight (28) calendar days after the Claims Administrator receives the  
3 final Notice of Settlement and Claim Form from the EEOC. Within ten (10)  
4 calendar days of issuance, the Claims Administrator will provide the EEOC with a  
5 List of the Potential Claimants who were sent a Notice of Settlement and Claim  
6 Form via U.S. Mail and/or electronic mail.

e. Return Mail Handling

8 For each mailing to a potential Claimant that is returned as undeliverable, the  
9 Claims Administrator shall, within ten (10) calendar days: (i) research the potential  
10 Claimant's most-recent address, using best efforts and a database search to locate  
11 the potential Claimant; and (ii) resend the Notice of Settlement, Claim Form, and  
12 cover letter to the new or different address if a new or different address is obtained,  
13 or (iii) advise the EEOC of the efforts taken to locate the potential Claimant if no  
14 new or different address is obtained. The Claims Administrator will make no more  
15 than two (2) attempts to locate a potential Claimant whose mailing is returned as  
16 undeliverable and in no event will any re-mailing of the Notice of Settlement and  
17 Claim Form occur more than six (6) months later than the Effective Date unless the  
18 EEOC determines a second round of mailings is needed to advance the interest of  
19 the terms of this Decree.

f. Claim Form Filing Deadline

21 Potential Claimants who believe they are entitled to monetary relief from the  
22 Settlement Fund may submit a completed Claim Form within one hundred and  
23 twenty (120) calendar days after receipt of the Notice of Settlement and the Claim  
24 Form via U.S. Mail and/or electronic mail. If a re-mailing was necessary, the  
25 Potential Claimant may submit a completed Claim Form within one hundred and  
26 twenty (120) calendar days after receipt of the re-mailed Notice of Settlement and  
27 the Claim Form via U.S. Mail. Returned Claim Forms postmarked or submitted  
28 electronically to the Claims Administrator within these periods will be considered

1 timely. However, Claim Forms that are received after the aforementioned time  
2 periods may be considered by the EEOC at its sole discretion.

3 g. Evaluation of Claim Forms

4 The EEOC shall create the general criteria for scoring claims made through  
5 completed Claim Forms. The EEOC has sole discretion in determining the criteria,  
6 eligibility, and monetary relief amounts for all potential Claimants. In order to  
7 determine each potential Claimant's eligibility, the EEOC will consider factors  
8 including, but not limited to, the length of employment, frequency and severity of  
9 experiences at work, and timeliness. Defendants agree that the EEOC's  
10 determination of these issues is final.

11 Within one-hundred and eighty (180) calendar days after the initial mailing  
12 and/or remailing of the Notice of Settlement and the Claim Form, the Claims  
13 Administrator will electronically provide to the EEOC all of the returned and  
14 completed Claim Forms and accompanying information submitted by each  
15 Claimant for the EEOC's use in assessing who is an Eligible Claimant. The Claims  
16 Administrator will receive, track, and hold all documents, submitted by mail, in  
17 person, or electronically, and will provide to the Parties access to all documents  
18 related to the claims process.

19 h. Distribution Lists from EEOC

20 The EEOC shall subsequently provide the Claims Administrator with one or  
21 more lists of Eligible Claimants including their names, current addresses, the  
22 amount to be paid to each, the classification of such amounts to be paid, and any  
23 additional relevant identifying information ("Distribution List"). The EEOC, based  
24 upon the claims process, will submit subsequent Distribution Lists. The EEOC also  
25 will provide the Claims Administrator with a Notice of Ineligibility for any  
26 potential claimants whom the EEOC determines are not eligible for payments from  
27 the Settlement Fund. The Claims Administrator will share the Distribution Lists  
28

1 and the list of Claimants who are not eligible for payments from the Settlement  
2 Fund with all Parties.

i. Notices to Claimants

4       Upon receiving the list of Eligible and Ineligible Claimants from the EEOC,  
5       the Claims Administrator will mail to each Eligible Claimant on the EEOC's  
6       approved Distribution List(s) a Notice of Eligibility with the Claim Share Amount.  
7       To each Claimant determined to be ineligible, the Claims Administrator will mail a  
8       Notice of Ineligibility.

j. Payment to Eligible Claimants

10 Within twenty (20) calendar days from the receipt of any and all Distribution  
11 List(s), as well as completed W-9 tax reporting forms for all Eligible Claimants,  
12 from the EEOC, the Claims Administrator shall issue checks from the Settlement  
13 Fund to the Eligible Claimants identified, in the amount allocated for each Eligible  
14 Claimant, and at the addresses provided in the EEOC's Distribution List(s).

15 Within five (5) calendar days after mailing any payment to Eligible  
16 Claimants, the Claims Administrator shall electronically submit a register or copy  
17 of the checks to Anna Y. Park, Regional Attorney, U.S. Equal Employment  
18 Opportunity Commission at [anna.park@eeoc.gov](mailto:anna.park@eeoc.gov) and [lado.legal@eeoc.gov](mailto:lado.legal@eeoc.gov).

**k. Returned and/or Uncashed Checks**

20 On a quarterly basis throughout the duration of this Decree, the Claims  
21 Administrator shall provide the EEOC with a copy of each cancelled check  
22 electronically, and identify any check not negotiated and/or returned non-  
23 negotiated. The Claims Administrator shall notify the EEOC on a quarterly basis of  
24 the remaining amount of Settlement Funds.

25 For any checks that are returned as undeliverable, the Claims Administrator  
26 shall attempt to find an updated address and will provide the EEOC with the name,  
27 last known address, date of birth, and social security number of the Eligible  
28 Claimant. If an updated address can be found, the check will be re-mailed via

1 Certified Mail. If an Eligible Claimant fails to present his or her check after ninety  
 2 (90) calendar days of it being issued, the Claims Administrator will provide the  
 3 EEOC with the name, last known address and date of birth of the Eligible Claimant,  
 4 and the EEOC may make additional efforts to locate the Eligible Claimant. If any  
 5 unclaimed monies in the Settlement Fund remain undistributed after exhausting  
 6 these efforts to locate the Eligible Claimants after issuing a final Distribution List,  
 7 the EEOC and Defendants will confer to designating any remaining monies to be  
 8 put into a cy pres fund. The monies to a cy pres fund will be distributed to a non-  
 9 profit organization serving victims of sexual harassment and/or sexual assault or  
 10 battery. The EEOC shall approve the cy pres designee prior to distribution.

11                   1. Unaccepted Eligible Claimants' Shares

12               If an Eligible Claimant does not subsequently accept or negotiate the check  
 13 in a timely manner, the Eligible Claimant will be deemed to have rejected the claim  
 14 share. However, the EEOC may request to re-issue checks for good cause  
 15 including, but not limited to, circumstances outside of the Eligible Claimants'  
 16 control. The Eligible Claimants' monetary allocation deemed to be rejected under  
 17 this subsection may be re-distributed, as determined by the EEOC.

18               Within ninety (90) calendar days from the mailing of the last check on  
 19 EEOC's last Distribution List, the Claims Administrator will provide the EEOC and  
 20 Defendants an accounting of the monies remaining from the Settlement Fund.  
 21 Defendants have no standing to challenge the EEOC's distribution determinations,  
 22 which are entirely in the discretion of the EEOC.

23                   m. Cooperation

24               The Parties will work together to ensure that the distribution, including  
 25 reissuing checks should that be required, is effectively carried out under the Decree.  
 26 In the event that any extension of claims-related deadlines become necessary, the  
 27 Parties' agreement to extend any deadline(s) shall be in writing.

28

1       **X. CLAIMANT SPECIFIC INJUNCTIVE RELIEF**

2       **A.** If Defendants maintain records regarding the underlying charge of  
3       discrimination or records relating to any Claimant's involvement in this  
4       Action for purposes of complying with this Decree, such records must be  
5       maintained separately from the Claimants' personnel file.

6       **B.** In the event Defendants receive a request for a job reference for the  
7       Charging Party and/or any Claimant, such job reference shall be (1) neutral,  
8       and (2) limited to dates of employment and position(s) held.

9       **C.** Defendants shall reclassify the termination of any Eligible Claimant(s)  
10      to voluntary resignation if the claimant has been identified by the EEOC as  
11      having been subjected to discriminatory discharge (based on a list provided  
12      by the EEOC).

13      **D.** Defendants shall ensure that Eligible Claimants are not prohibited from re-  
14      employment with Defendants, other than for non-discriminatory and non-  
15      retaliatory reasons.

16

17       **XI. GENERAL INJUNCTIVE RELIEF**

18       **A. Non-Discrimination**

19       Defendants, their officers, agents, management (including all supervisory and  
20      lead employees, General/Store Managers and above), human resources personnel,  
21      successors, assigns, and all those in active concert or participation with them, or  
22      any of them, are hereby enjoined from: (1) engaging in unwanted verbal, physical,  
23      or any other kind of conduct of a sexual nature; (2) engaging in sexual harassment  
24      in the workplace; (3) engaging in or being party to any action, policy, or practice  
25      that discriminates and/or creates a hostile or abusive work environment on the basis  
26      of sex; and (4) creating, facilitating, or permitting the existence of a work  
27      environment that is hostile to employees on the basis of sex.

## **B. Anti-Retaliation**

Defendants, their officers, agents, management (General/Store Managers and above, including all supervisory and lead employees), human resources personnel, successors, assigns, and all those in active concert or participation with them, or any of them, are hereby enjoined from engaging in, implementing, or permitting any action, policy, or practice that adversely affects and/or creates a hostile or abusive work environment towards any current or former employee because he/she has in the past, or during the term of this Decree:

1. Opposed any practice made unlawful under Title VII's prohibition on discrimination or harassment based on sex;
2. Filed a charge of discrimination with the EEOC alleging such practice based on sex;
3. Testified or participated in any manner in an internal or external investigation or proceeding relating to any claim of a violation of Title VII's prohibition on discrimination or harassment based on sex;
4. Been identified as an Eligible Claimant with respect to this Action;
5. Asserted any right under this Decree; or
6. Sought and/or received any relief in accordance with this Decree.

## XII. SPECIFIC INJUNCTIVE RELIEF

## A. Equal Employment Opportunity Monitor

Within thirty (30) calendar days after the Effective Date, Defendants shall retain a third-party EEO Monitor, approved by the EEOC, with demonstrated experience in the areas of preventing and combating sexual harassment, and/or related retaliation. The EEO Monitor shall have access to documents and

1 employees and shall monitor Defendants' compliance with applicable laws and the  
2 provisions of this Decree. Defendants shall bear all costs associated with the  
3 selection and retention of the EEO Monitor and the reasonable costs associated with  
4 the performance of the EEO Monitor's duties.

5 The EEO Monitor's duties shall include:

6 1. Conducting audits under Section B below, to identify existing deficiencies  
7 in Defendants' response to complaints of sexual harassment, sex-based  
8 discrimination or retaliation and to determine whether sexual harassment, sex-based  
9 discrimination or retaliation exists at Defendants' worksites;

10 2. Tracking and evaluating all information received by Defendants regarding  
11 alleged sex-based discrimination, harassment, or retaliatory conduct;

12 3. Reviewing documents relating to complaints of sex-based discrimination,  
13 harassment or retaliation, and any documents related to the investigation or  
14 resolution of such complaints to ensure that Defendants are responding to such  
15 complaints by conducting prompt, thorough and impartial investigations;

16 4. Ensuring that all complaints of sex-based discrimination, harassment  
17 and/or retaliation are documented and properly handled, whether they are formal or  
18 informal complaints;

19 5. Reviewing all disciplinary actions taken in response to complaints of sex-  
20 based discrimination, harassment, and/or retaliation to ensure that discipline is  
21 consistent in preventing and correcting the conduct as required under this Decree  
22 and Title VII;

23 6. Ensuring centralized tracking and monitoring of complaints of sex-based  
24 discrimination, harassment, and/or retaliation;

25 7. Ensuring that Defendants' policies and procedures relating to sex-based  
26 discrimination, harassment, and retaliation are effective and fully comply with Title  
27 VII and all terms set forth in this Decree, as described in Section C below;

1       8. Reviewing and guiding Defendants on the best ways to effectively  
2 communicate complaint mechanisms in place to employees and to ensure that  
3 Defendants are tracking and handling complaints promptly and effectively;

4       9. Ensuring that Defendants' trainings regarding sex-based discrimination,  
5 harassment, or retaliation are effective, especially with respect to training of  
6 managers and human resources employees, and provide guidance or feedback if  
7 additional or revised training is needed;

8       10. Ensuring proper accountability measures are implemented and that  
9 Defendants properly interface with a) employees who have made sex-based  
10 discrimination complaints are not subjected to retaliation, and b) any alleged  
11 perpetrators/harassers so as to ensure that proper preventative and corrective  
12 measures were taken;

13       11. Reviewing and evaluating the disciplinary scheme to ensure that  
14 preventative and corrective measures are consistently and properly implemented;

15       12. Reviewing and evaluating any changes to proposed discipline flowing  
16 from an investigation, and report to the EEOC the Monitor's evaluation of the  
17 changes;

18       13. Assisting Defendants with developing and implementing a system to  
19 ensure accountability and EEO compliance by managers, supervisors and human  
20 resource personnel regarding potential sexual harassment, sex discrimination, and  
21 retaliation;

22       14. Assisting Defendants with implementing mechanisms for bottom-up  
23 feedback from employees to managers, in a manner that encourages and solicits  
24 feedback regarding sexual harassment, sex discrimination, retaliation and the  
25 inclusivity of Respondent's culture for individuals of all genders, as described in  
26 this Decree;

27       15. Providing Defendants with feedback on the three (3) reports to the EEOC  
28 for the duration of the Decree regarding Defendants' progress and compliance

1 under this Decree (Prior to submission, Defendants shall provide the EEO Monitor  
 2 with confirmation and any underlying related documents for review, verification,  
 3 and approval of the reports' accuracy.);

4       16. Ensuring that Defendants' reports required by this Decree are accurately  
 5 compiled and timely submitted;

6       17. Ensuring the retention and maintenance of any complaints; documents or  
 7 records relating to investigations required by this Decree;

8       18. Ensuring the distribution of any documents as required by this Decree;  
 9 and

10       19. Measuring and monitoring the timeliness and effectiveness of  
 11 investigations into complaints of discrimination, harassment, and/or retaliation.

12       With respect to the Defendants' duties and obligations under this Decree that  
 13 have not been delegated to the EEO Monitor, the Parties recognize that La Pointe  
 14 Law has been appointed to fulfill those duties and obligations for Defendants.

15 **B. Compliance Audits**

16       **1. Audit of McDonald's Stores in Nevada, Arizona, and  
 17 California**

18       For all of Defendants' stores currently in operation during the term of this  
 19 Decree, the EEO Monitor shall evaluate Defendants' investigations of any reports  
 20 of sexual harassment and/or retaliation in Defendants' store locations including, but  
 21 not limited to, providing guidance to Defendants related to employee interviews,  
 22 reviewing documents and recommending corrective measures and/or preventative  
 23 steps for any unresolved complaint(s). The EEO Monitor shall identify appropriate  
 24 preventative steps to avoid reoccurrence of the same or similar issues identified  
 25 through audits in the other stores. Defendants may follow the EEO Monitor's  
 26 recommendation or suggest a good faith alternative resolution. The EEO Monitor  
 27 shall review and evaluate Defendants' investigative findings and recommendations

1 and provide feedback, if necessary, prior to finalizing the investigation and taking  
2 any action.

3 **2. Annual Audits**

4 On an annual basis throughout the duration of this Decree, the EEO Monitor  
5 shall conduct at least two (2) unannounced visits, between the hours of 2:00 pm and  
6 4:00 pm on a weekday or an alternative time to be worked out with the EEO  
7 Monitor at any of Defendants' stores currently in operation during the term of this  
8 Decree to interview current and prospective employees and a) assess whether sex-  
9 based discrimination, harassment, and/or retaliation issues are properly being  
10 addressed, b) assess whether the mechanisms implemented pursuant to this Decree  
11 are effective, c) assess whether the trainings are effective, and d) to identify areas  
12 for improvement. When seeking employee input, the EEO Monitor will meet  
13 employees outside the presence of management and/or supervisors, and without any  
14 management or supervisors' advance knowledge of the audit.

15 The EEO Monitor shall audit the effectiveness of the handling of complaints  
16 of sex-based discrimination, harassment, and retaliation to assess whether  
17 corrective and preventative measures that were taken are effective by Defendants.  
18 The EEO Monitor shall audit and review all complaints to ensure they are properly  
19 documented and tracked, and that the investigations are properly conducted. The  
20 Monitor shall also audit the disciplinary scheme and provide feedback to  
21 Defendants on whether any changes are needed to ensure accountability and  
22 consistency.

23 The EEO Monitor will also review the complaints that are made including  
24 the Complaint Log described in this Decree and report on a semi-annual basis to the  
25 EEOC regarding Defendants' implementation of the Complaint Log and the proper  
26 tracking and handling of the complaints. The EEO Monitor will assess whether  
27 employee sex-based discrimination and/or harassment complaints are accurately  
28 recorded and addressed. The EEO Monitor shall have access to all records

1 including underlying investigations into complaints of sex-based discrimination,  
2 harassment, and/or retaliation, and shall have access to employees, if necessary, to  
3 conduct interviews with employees of the EEO Monitor's choosing.

4 During these annual unannounced audits, the EEO Monitor shall also ensure  
5 that managers and supervisors are held accountable and to encourage employees to  
6 report suspected sex-based discrimination, harassment and/or retaliation. To seek  
7 employee input, the audits will be conducted outside the presence and knowledge of  
8 managers and/or supervisors. If the audit responses indicate potential misconduct  
9 that may be in violation of Defendant's policies that prohibit sex-based  
10 discrimination, harassment, and/or retaliation, the EEO Monitor will provide notice  
11 to the Defendants to take properly investigative steps and address the issue.

12 **3. Climate Surveys**

13 Within one-hundred and twenty (120) calendar days of the Effective Date,  
14 and annually thereafter, the EEO Monitor shall send EEOC-approved Climate  
15 Surveys in English and Spanish, to all current supervisory and hourly employees of  
16 Defendants via electronically or otherwise to ensure the most effective means to  
17 administer the surveys and to receive a response. The Climate Surveys will allow  
18 employees to respond anonymously in order to assess whether sex-based  
19 discrimination, harassment, and/or retaliation exists in the workplace and the  
20 effectiveness of Defendants' responses.

21 Defendants also agree to provide the same Climate Survey to all employees  
22 upon termination or end of their employment. The Climate Surveys shall be  
23 reviewed by Defendants and the EEO Monitor. Defendants will take prompt and  
24 effective remedial action, with input from the EEO Monitor, in response to any  
25 Climate Survey responses indicating that sexual harassment and/or a sexually  
26 hostile work environment are occurring. The EEO Monitor will report on the status  
27 of the climate surveys and issues not properly addressed.

28

1      **C. Policies and Procedures**

2      **1. Workplace Policies and Procedures**

3      Within sixty (60) calendar days of the Effective Date, Defendants shall  
4      review their existing policies and procedures regarding sex discrimination, sexual  
5      harassment, and/or related retaliation (“Workplace Policies and Procedures”), and  
6      revise them if needed to ensure that throughout the duration of this Decree, they  
7      include:

- 8      a.      A strong and clear commitment to a workplace free of sex-based  
9      discrimination, harassment, and/or related retaliation;
- 10     b.      A clear and comprehensive description of sex-based  
11     discrimination, harassment, and/or related retaliation, including  
12     a discussion of the meaning of the phrase “hostile work  
13     environment” and “retaliation” under Title VII and examples of  
14     prohibited conduct and conduct which, if left unchecked, may  
15     rise to the level of unlawful discrimination, harassment, or  
16     related retaliation;
- 17     c.      A statement that Defendants shall hold all employees  
18     accountable for engaging in conduct prohibited under applicable  
19     laws regarding sex-based discrimination, harassment, and/or  
20     related retaliation or this Decree, including but not limited to  
21     failing to take prompt appropriate action to redress sex-based  
22     discrimination, harassment, and/or related retaliation in the  
23     workplace, and a description of the consequences for those that  
24     fail to adhere to reporting procedures;
- 25     d.      A statement that persons who complain about sex-based  
26     discrimination or harassment they experienced or witnessed and  
27     persons who provide information relating to such complaints  
28     will not be subjected to retaliation;

- 1       e. A statement affirming that Defendants' anti-harassment policies  
2            include same sex harassment;
- 3       f. A policy regarding workplace relationships that, consistent with  
4            applicable law, discourages and/or prohibits the formation of  
5            sexual and romantic relationships between supervisors and/or  
6            managers and any employees who report to them, directly or  
7            indirectly, and requires the disclosure of other sexual and  
8            romantic relationships between employees to Defendants so that  
9            appropriate measures can be taken to avoid the existence or  
10           appearance of sexual and/or romantic favoritism and *quid pro*  
11           *quo* sexual harassment in the workplace
- 12       g. A statement that Defendants' harassment policies protect all  
13            employees, including temporary hourly employees, against  
14            workplace harassment committed by other employees and third  
15            party customers;
- 16       h. An internal complaint procedure applying to the workplace and  
17            all work-related events that provides all employees with  
18            multiple reporting options for complaints of sex-based  
19            discrimination, harassment, and/or related retaliation, as  
20            described in this Decree;
- 21       i. An explanation that the internal complaint procedure does not  
22            replace the right of any employee to file a charge or complaint  
23            of sex-based discrimination, harassment, and/or related  
24            retaliation under any available municipal, state, or federal law,  
25            and that filing an internal complaint does not relieve the  
26            complainant of meeting any deadline for filing a charge of  
27            discrimination; and

- j. The procedures will provide contact information for state and local Fair Employment Practice (FEP) agencies and the EEOC toll-free complaint line at (800) 669-4000.

Prior to implementation and distribution to employees, supervisors, managers, and human resources personnel, Defendants shall submit the revised workplace policies and procedures to the EEO Monitor for his/her feedback and final approval. Defendants agree to submit to the EEOC any revisions to their Workplace Policies and Procedures addressing this section of the Decree at least thirty (30) calendar days prior to the proposed change.

## 2. Internal Complaint Investigation Procedure

Within sixty (60) calendar days of the Effective Date, Defendants shall review their Internal Complaint Investigation Procedure and make any revisions to ensure that it incorporates the following elements:

- a. A statement encouraging employees to ask questions, share concerns, and provide information about potential sex-based discrimination, harassment, and/or related retaliation to Defendants, such as by (i) sharing information with the Human Resources Department, the EEOC, and or state local agency, or (ii) participating candidly in investigations of potential discrimination, harassment, or related retaliation;
- b. A clearly described process for submitting complaints of sex-based discrimination, harassment, and/or related retaliation that includes multiple avenues for employees to lodge complaints of sex-based discrimination, harassment, and/or related retaliation verbally or in writing, including (i) a direct toll-free phone number and email address for Defendants' Human Resources Department; (ii) a telephone complaint Hotline that Defendants

1 will track pursuant to this Decree; and (c) notifying any manager  
2 or Human Resources representative;

3 c. A clearly described process for a prompt, thorough, and  
4 impartial investigation of all complaints of sex-based  
5 discrimination, harassment, or related retaliation by Defendants,  
6 including (i) interviewing relevant witnesses, (ii) review of  
7 relevant evidence; and (iii) creation of written investigative  
8 reports that document all investigatory steps, any findings and  
9 conclusions, and any actions taken, and including all complaints,  
10 notes of interviews, and other relevant evidence;

11 d. An assurance that no complainant shall be required to confront  
12 his or her alleged harasser and that the confidentiality of the  
13 complaint, complainant, and investigation shall be maintained to  
14 the fullest extent possible;

15 e. Tracking and collection of all complaints of sex-based  
16 discrimination, harassment, and/or related retaliation in the  
17 Complaint Log;

18 f. Resolution of all complaints of sex-based discrimination,  
19 harassment, and/or related retaliation by Defendants in a timely  
20 and effective manner, including communication with  
21 complainant of the outcome of the investigation; and

22 g. A requirement that any employee in a manager, supervisory, or  
23 Human Resources managerial position document and report any  
24 and all observations or complaints of potential sex-based  
25 discrimination, harassment, or related retaliation to Defendants'  
26 Human Resources Department promptly but no later than within  
27 seventy-two (72) hours, and that failure to carry out this duty is  
28

grounds for disciplinary action, up to and including immediate discharge.

3           Prior to implementation and distribution to employees, supervisors,  
4           managers, and human resources personnel, Defendants shall submit the revised  
5           internal complaint procedure to the EEO Monitor for his/her feedback and final  
6           approval. Defendants agree to submit to the EEOC any revisions to the internal  
7           complaint procedure addressing this section of the Decree at least thirty (30)  
8           calendar days prior to the proposed change.

### 3. Distribution of Workplace Policies and Procedures

10        Within ninety (90) calendar days of the Effective Date and after receiving  
11 final approval from the EEO Monitor, Defendants shall disseminate a hard copy of  
12 any revised Workplace Policies and Procedures, in English and Spanish, to all  
13 employees. During the term of the Decree, Defendants shall disseminate a copy of  
14 these policies and procedures to all current employees on at least a semi-annual  
15 basis via electronic mail or hard copy. Newly hired employees shall receive a hard  
16 copy of these Workplace Policies and Procedures immediately upon hire.  
17 Defendants shall include in its annual reports to the EEOC, an annual confirmation  
18 of the various methods by which Defendants make their policies and procedures  
19 accessible to their employees, including Spanish-speaking employees.

**D. EEO Training**

21 Prior to the implementation and distribution of any and all training materials  
22 under this Decree, Defendants shall obtain feedback for effectiveness and final  
23 approval of such materials from the EEO Monitor.

## 1. **Compliance and Workplace Harassment Prevention Training for Hourly Employees**

26 Within one-hundred and eighty(180) calendar days after the Effective Date  
27 and with the approval of the EEO Monitor, Defendants shall initiate training  
28 sessions for all hourly non-supervisory employees assigned to any of Defendants'

1 stores currently in operation during the term of this Decree. Defendants may  
2 conduct these training sessions through online recorded training programs, or  
3 through remote training sessions, either live or recorded, using methods such as  
4 Zoom or WebEx. These training sessions shall be conducted on an annual basis for  
5 the duration of the Decree. After the on-line training session, there will be an  
6 interactive in-person session to allow each employee an opportunity to ask  
7 questions. The interactive session will be facilitated by management or human  
8 resources representative where the employee can ask questions and be given an  
9 information sheet that has a) a description of what constitutes sexual harassment, b)  
10 information about the Defendants' EEO complaint procedures, c) the prohibition of  
11 retaliation; and d) the names and contact information of persons to submit questions  
12 or complaints if they are not comfortable doing so at the in person session. The  
13 first year's training sessions shall be completed within two hundred and forty (240)  
14 days after the Effective Date.

15 The training under this section shall cover:

- 16 a. what constitutes unlawful sex-based discrimination, harassment,  
17 and/or related retaliation with examples;
- 18 b. employees' and employers' rights and responsibilities if they  
19 experience, observe, or become aware of conduct that they  
20 believe may be discriminatory, harassing, or retaliatory, based  
21 on sex, including the responsibility of managers and/or  
22 supervisors to report such conduct to Human Resources  
23 personnel;
- 24 c. a component on bystander intervention, including examples of  
25 how to effectively intervene as a bystander;
- 26 d. Defendants' Workplace Policies and Procedures and Internal  
27 Complaint Procedure;
- 28 e. contact information for Human Resources and the Hotline;

- 1 f. a statement emphasizing that harassment prevention,  
2 maintaining a respectful workplace, and diversity are high  
3 priorities for Defendants and that Defendants are committed to  
4 accountability and safety of their workforces;
- 5 g. a statement confirming Defendants' commitment that  
6 harassment prevention, civility, and maintaining a respectful,  
7 diverse, and safe workplace are top priorities; and
- 8 h. methods to prevent sex-based harassment and bullying in the  
9 workplace.

10 All newly hired employees under Section VII.D.1 shall complete the initial  
11 online training and follow-up interactive session within sixty (60) days of their hire  
12 date during the duration of the Decree. Defendants' President/Owner Abe Martinez  
13 III shall also take this online training.

14 Anonymous course evaluation surveys for attendees to complete shall be  
15 solicited at each training session and copied to the EEO Monitor to examine the  
16 effectiveness of the training. The EEO Monitor will review the anonymous  
17 evaluation forms and make any appropriate recommendations for improving  
18 subsequent training sessions to Defendants.

19 **2. Human Resources/Manager Training**

20 Within one hundred and twenty (120) calendar days after the Effective Date  
21 and with the approval of the EEO Monitor, Defendants shall initiate separate live  
22 training sessions for all Human Resources managers and supervisors assigned to  
23 any of Defendants' stores currently in operation during the term of this Decree.  
24 This includes HR personnel, managers, supervisors assigned to the Kingman,  
25 Arizona office and any other employees who are responsible for investigating  
26 complaints of sex-based discrimination, harassment, and/or related retaliation.  
27 Defendants may conduct these live training sessions online through live remote  
28 methods such as Zoom or WebEx. These training sessions shall: a) be at least two

1 (2) hours in duration; b) be conducted on an annual basis for the duration of the  
2 Decree; and c) have an interactive component with a question and answer session  
3 toward the end. The first year's training session shall be completed within one-  
4 hundred and eighty (180) days after the Effective Date.

5 These training sessions shall be recorded, and all newly hired human  
6 resources personnel, managers, supervisors, and employees described above in  
7 Section VII.D.2, shall complete the recorded session of such training including the  
8 recorded question and answer portion of the training, within sixty (60) days of their  
9 hire date for the duration of the Decree.

10 The training under this section shall include role playing and emphasize  
11 accountability of management and documenting and reporting complaints of  
12 discrimination, harassment, and/or retaliation. This training shall also include  
13 examples and interactive materials to properly identify what constitutes sex-based  
14 discrimination, harassment, and/or related retaliation and emphasize:

- 15 a. the affirmative obligation for managers and supervisors to report  
16 and to take appropriate action;
- 17 b. the duty to promptly report potential sex-based discrimination,  
18 harassment, and/or related retaliation;
- 19 c. the need to thoroughly document sex-based harassment and  
20 discrimination complaint investigations, including taking and  
21 retaining notes of interviews conducted for those investigating  
22 complaints;
- 23 d. types of preventative and corrective measures and how to  
24 determine whether the action proposed is reasonably calculated  
25 to prevent or end sex-based harassing conduct; and
- 26 e. post-investigation procedures for evaluating the work  
27 environment after receiving a complaint from an employee or  
28 third-party.

1        For human resources personnel and any other employees who are responsible  
2 for investigating sex-based discrimination, harassment, and related retaliation  
3 complaints, the training shall also include instruction on how to properly investigate  
4 such complaints, including the proper scope of the investigation.

5        3. Requirements for All Training Sessions

6        All trainings described in this Section shall occur on an annual basis and are  
7 mandatory for the duration of this Decree. Training sessions shall be in English and  
8 Spanish where necessary for Spanish-speaking employees. All trainings and  
9 training materials shall be provided in English or Spanish, whichever language is  
10 commonly understood by Defendants' employees.

11        All persons shall verify their attendance in writing or through an electronic  
12 confirmation. Defendants shall maintain copies of training sign-in sheets and/or  
13 electronic records demonstrating attendance for the duration of this Decree.

14        Defendants agree to work with the EEO Monitor to develop the training  
15 curriculum and obtain approval from the EEO Monitor. During the sessions,  
16 examples of prohibited conduct shall be given and tailored to Defendants'  
17 workplace. For live online/remote training, Defendants shall leave time for  
18 question and answer periods at the conclusion of each training.

19        All employees will be paid their normal rate of pay for attending the training  
20 sessions.

21        Defendants shall give the EEOC and the EEO Monitor a minimum of twenty  
22 (20) calendar days advance written notice of the date, time, and location of each  
23 group live training session provided pursuant to this Decree. An EEOC  
24 representative or the EEO Monitor may attend any live training upon request by the  
25 EEOC or the EEO Monitor. The EEOC and the EEO Monitor shall review training  
26 materials proposed and/or used upon request in order to provide feedback.

27

28

1       **E. Centralized Tracking and Complaint Log**

2           Within thirty (30) calendar days of the Effective Date, Defendants shall  
3 confirm to the EEOC the creation and implementation of a centralized tracking  
4 system or Complaint Log for all formal and informal complaints regarding sex-  
5 based discrimination, harassment, and/or related retaliation and the ongoing  
6 evaluation of such complaints to prevent retaliation. During the term of this  
7 Decree, Defendants will maintain a complaint database containing information  
8 related to complaints regarding sex-based discrimination, harassment, and/or  
9 related retaliation that will be shared with the EEO Monitor. The complaint  
10 database is and will remain searchable by name of individual(s) and by location(s)  
11 of alleged misconduct, and contains and will contain, for each complaint or  
12 investigation of sex-based discrimination, harassment, and/or related retaliation, at  
13 least the following information:

- 14           1. full name, contact information, and sex-based of each  
15                   complainant and potential aggrieved individual;
- 16           2. full name and sex-based of any persons allegedly involved  
17                   (including but not limited to those identified as potential  
18                   perpetrators);
- 19           3. a description of how Defendants learned of the complaint (i.e.,  
20                   whether made to a manager, human resources employee, or via  
21                   the Hotline), and the date the complaint was reported;
- 22           4. date each investigation began and was completed;
- 23           5. type of sex discrimination, sex harassment, and/or related  
24                   retaliation complained of, reported, or investigated;
- 25           6. type of complaint or type of adverse employment action  
26                   allegedly involved (e.g., “harassment,” “failure to hire,” “failure  
27                   to promote,” “demotion,” “failure to schedule/assign,”  
28                   “termination,” etc.);

- 1 7. name and title of person(s) who conducted each investigation;
- 2 8. description of action taken in response to the charge, complaint,
- 3 report, or investigation;
- 4 9. resolution, or decision made, regarding each complaint made
- 5 and each investigation conducted; and
- 6 10. status of each complaint or investigation reflected in the
- 7 database (such as “open,” “pending,” “closed,” etc.).

8 The Complaint Log shall be maintained throughout the entire duration of the Decree  
9 and produced to the EEOC on request.

10 **F. Performance Evaluations**

11 Defendants agree to develop and implement a system for holding regional  
12 managers, store managers, and assistant store managers who oversee or supervise  
13 any of Defendants’ stores accountable for failing to comply with Title VII, and  
14 Defendants’ anti-discrimination, anti-harassment, and anti-retaliation policies and  
15 procedures. Defendants may also use incentives to ensure EEO compliance by  
16 supervisors and managers. Within one-hundred and eighty (180) calendar days of  
17 the Effective Date, Defendants agree to provide the EEO Monitor with the proposed  
18 written measures in order to provide an opportunity for comment regarding the  
19 measures before implementation. Once the measures have been finalized and  
20 approved by the EEO Monitor, they will be sent to the EEOC within fifteen (15)  
21 calendar days. Any revisions to these measures during the duration of the Decree  
22 will also be sent to the EEOC within fifteen (15) calendar days.

23 **G. Toll Free Hotline**

24 Within thirty (30) calendar days of the Effective Date, Defendants shall  
25 confirm the creation and implementation of a current toll-free bilingual hotline for  
26 any Spanish or English-speaking employee to report complaints of sex and/or  
27 gender discrimination, harassment, and/or related retaliation (“Hotline”). The  
28

1 Hotline shall operate seven (7) days per week, twenty-four (24) hours per day. The  
 2 Hotline shall offer the option to employees to make an anonymous complaint. The  
 3 EEO Monitor shall ensure that all Hotline inquiries, and response times are tracked  
 4 and logged by Defendants in the Complaint Log described in this Decree.

5 On an annual basis during the entire duration of this Decree, Defendants shall  
 6 disseminate the Hotline number and related information to all employees in English  
 7 and Spanish, and encourage them to report incidents of workplace harassment,  
 8 discrimination, and/or related retaliation. Defendants shall notify newly hired  
 9 employees about the Hotline in English and Spanish no later than within five (5)  
 10 days of hire.

11 **H. Posting of Notice of Settlement**

12 Within ten (10) calendar days after the Effective Date and throughout the  
 13 term of this Decree, Defendants shall post in both English and Spanish, a full-sized  
 14 copy of the Notice of Settlement attached as **Exhibit “B,”** which sets forth many of  
 15 the terms of this Decree in clearly visible locations frequented by their employees  
 16 (i.e. break rooms or bulletin boards with other employee notices). The notice shall  
 17 be posted at Defendants’ eighteen (18) currently open stores listed in Exhibit A.  
 18 The notice shall remain posted for the entire duration of this Decree.

19 **I. Recordkeeping**

20 Within sixty (60) calendar days after the Effective Date of this Consent  
 21 Decree, Defendants shall review with the EEO Monitor its record-keeping  
 22 procedure that provides for the centralized tracking of sex-based discrimination,  
 23 harassment, and/or related retaliation complaints and the ongoing evaluation of  
 24 such complaints to prevent retaliation. The EEO Monitor will ensure and/or  
 25 confirm that the records to be maintained include:

26 **A.** Non-privileged documents generated in connection with any complaint  
 27 of sex-based discrimination, harassment, and/or related retaliation,  
 28 including documents relating to all investigations or resolutions of any

complaints and the identities of all witnesses identified by the complainant and/or through Defendants' investigation;

- B.** Documents verifying the occurrence of all training and follow-up sessions, the information sheets to trainees, and names and positions of all attendees for each session as required under this Decree;
- C.** Documents generated in connection with the overseeing, counseling, and disciplining of employees whom Defendants determine to have engaged in discriminatory conduct in violation of the workplace policies and procedures as they relate to sex-based discrimination, harassment, and/or related retaliation;
- D.** Documents generated in connection with the development of a system to hold regional managers, store managers, and assistant store managers accountable for not reporting complaints of sex-based discrimination, harassment, and/or related retaliation, and also for rewarding those managers who did report correctly as part of its reporting process;
- E.** All communications with the EEO Monitor, the Claims Administrator, and the EEOC;
- F.** Non-privileged documents generated in connection with the audits conducted by the EEO Monitor under this Decree;
- G.** All training evaluation surveys collected under this Decree; and
- H.** Non-privileged documents related to Defendants' compliance with this Decree.

Defendants shall make the aforementioned records available to the EEOC within fifteen (15) calendar days following a written request by the EEOC.

In the event that the EEO Monitor raises concerns about potential non-compliance with this Decree, the EEOC may request documents or information, including interviews of witnesses, that the EEOC determines is necessary to

1 conduct an inquiry into the specific compliance issue. Defendants agree to make  
2 the requested information or documents available to the EEO Monitor and the  
3 EEOC. Defendants shall cooperate with the EEO Monitor to ensure access to  
4 information to carry out their duties under this Decree.

5 **J. Reporting to the EEOC**

6 **1. Initial Report**

7 Within one-hundred and eighty (180) calendar days after the Effective Date  
8 Defendants shall submit to the EEOC an initial report containing:

- 9 a. The name, contact information, and qualifications of the  
10 proposed EEO Monitor under this Decree;
- 11 b. The name and contact information of the specific professional  
12 individual or organization that Defendants propose to serve as  
13 the Claims Administrator and the proposed contract, for the  
14 EEOC's review and comment;
- 15 c. Verification that List of Potential Claimants were submitted to  
16 the Claims Administrator; a statement detailing Defendants'  
17 compliance with this Decree regarding Claimant Specific  
18 Injunctive Relief;
- 19 d. A summary of any forthcoming modifications to the Workplace  
20 Policies and Procedures, including the Internal Complaint  
21 Investigation Procedure;
- 22 e. A summary of the procedures and recordkeeping methods in  
23 place and/or as modified with the EEO Monitor for centralized  
24 tracking of sex-based discrimination, harassment, and/or related  
25 retaliation complaints and the evaluation of such complaints;
- 26 f. Written verification of the funding of the Settlement Fund;

- 1 g. An update on Defendants' progress toward developing a system
- 2 to hold regional managers, store managers, and assistant store
- 3 managers accountable for not complying with EEO policies;
- 4 h. The written notice provided to employees informing them of the
- 5 Hotline;
- 6 i. A statement attesting that all employees have been notified of
- 7 the Toll-Free Hotline;
- 8 j. A statement confirming that Defendants have posted the Notice
- 9 of Settlement as required under this Decree; and
- 10 k. A current copy of all Defendants' policies and procedures as
- 11 required under this Decree.

12 **2. Second Report**

13 Within twenty (20) months after the Effective Date of this Decree,  
14 Defendants shall provide subsequent reports containing:

- 15 a. The attendance lists of all attendees for the training sessions
- 16 required under this Decree that took place since the prior report;
- 17 b. Confirmation that Defendants have distributed Workplace
- 18 Policies and Procedures to all employees under this Decree;
- 19 c. Confirmation of the occurrence of all training sessions under
- 20 this Decree and a copy of the training materials used;
- 21 d. Confirmation that the Hotline has been communicated to all
- 22 employees under this Decree;
- 23 e. A copy of the Complaint Log;
- 24 f. Results of the Climate Surveys;
- 25 g. Confirmation as to whether any relevant revisions of
- 26 Defendants' Workplace Policies and Procedures took place

since the preceding report, including a current working copy of all policies and procedures as required under this Decree;

- h. Confirmation of Defendants' compliance with the terms of this Decree; and
- i. Confirmation that the interactive follow-up training sessions for hourly non-supervisory employees were completed or being conducted under this Decree, including the dissemination of the information sheet.

These reports shall also include a statement from the EEO Monitor regarding the accuracy of Defendants' report to the EEOC, describes all work performed pursuant to this Decree, and provides the EEO Monitor's feedback and recommendations, if any, going forward. The statement shall include the EEO Monitor's evaluation and recommendations following the audits and climate surveys; the trainings sessions under this Decree; and review of Defendants' implementation of the Internal Complaint Investigation Procedure and Complaint Log under this Decree. Most importantly, the EEO Monitor's statement shall provide feedback regarding Defendants' good faith efforts to comply with this Decree and all applicable laws regarding sex-based discrimination, harassment, and/or related retaliation, and cover all the EEO Monitor's responsibilities, as detailed in this Decree.

### 3. Exit Report

Within at least ninety (90) calendar days prior to the expiration of this Decree, Defendants shall report to the EEOC regarding their compliance with this Decree.

Separately, the EEO Monitor shall report to the EEOC at least ninety (90) calendar days prior to the expiration of this Decree covering all the EEO Monitor's duties, as detailed in this Decree and providing feedback regarding Defendants' compliance with this Decree and laws regarding sex-based discrimination,

1 harassment, and/or related retaliation, and whether Defendants have responded  
2 appropriately to sex-based discrimination, harassment, and/or related retaliation  
3 complaints. The EEO Monitor shall make recommendations, where appropriate,  
4 for extension of the term of this Decree. All reports under this Section shall be  
5 directed: U.S. Equal Employment Opportunity Commission, Attn. Regional  
6 Attorney Anna Y. Park, at [anna.park@eeoc.gov](mailto:anna.park@eeoc.gov) and [lado.legal@eeoc.gov](mailto:lado.legal@eeoc.gov).  
7

8 **XIII. COSTS OF ADMINISTRATION AND IMPLEMENTATION  
OF DECREE**

9  
10 Defendants shall bear all costs associated with its administration and  
11 implementation of its obligations under this Decree.

12  
13 **XIV. COSTS AND ATTORNEYS' FEES**

14 Each of the Parties shall bear its own costs and attorneys' fees.

15  
16 **XV. MISCELLANEOUS PROVISIONS**

17 Unless otherwise stated, all notices, reports, and correspondence required  
18 under this Decree to be delivered to the EEOC shall be delivered electronically to  
19 the attention of Anna Y. Park, Regional Attorney, U.S. Equal Employment  
20 Opportunity Commission, at [lado.legal@eeoc.gov](mailto:lado.legal@eeoc.gov) and [anna.park@eeoc.gov](mailto:anna.park@eeoc.gov).  
21 Defendants shall maintain copies of all such notices, reports, and correspondence  
22 for at least the duration of this Decree.

23 During the duration of this Decree, Defendants shall provide any potential  
24 successor-in-interest with a copy of this Decree within a reasonable time of not less  
25 than thirty (30) calendar days prior to the execution of any agreement for  
26 acquisition or assumption of control of any or all of Defendants' facilities, or any  
27 other material change in corporate structure, and shall simultaneously inform the  
28 EEOC of same.

1        During the duration of this Decree, Defendants shall assure that each of its  
2 directors, officers, human resources personnel, General Managers, and Area  
3 Supervisors are aware of any term(s) of this Decree which may be related to his/her  
4 job duties and/or obligations.

5

6 **XVI. SIGNATURES**

7        This Decree may be executed in several counterparts, each of which shall be  
8 deemed an original, but all of which shall constitute one and the same instrument.  
9 All of such counterpart signature pages shall be read as though one, and they shall  
10 have the same force and effect as though all the signers had signed a single  
11 signature page. Electronically transmitted executed copies of this Decree shall be  
12 fully binding and effective for all purposes whether or not originally executed  
13 documents are transmitted to the other party. Fax signatures on documents are to  
14 be treated the same as original signatures.

15       All Parties, through the undersigned, respectfully apply for and consent to the  
16 entry of this Consent Decree Order.

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Respectfully submitted,

**U.S. EQUAL EMPLOYMENT  
OPPORTUNITY COMMISSION**

Dated: December 5 , 2022

**Regional Attorney  
Attorney for Plaintiff EEOC**

## LAPOINTE LAW

Dated: November 30, 2022

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**Martin K. LaPointe**

Attorney for Defendants  
AMTCR, Inc., AMTCR Nevada, Inc., and  
AMTCR California, LLC

Dated: November 30, 2022

Abe Martinez  
Abe Martinez, III

**President and Chief Executive Officer  
AMTCR, Inc., AMTCR Nevada, Inc., and  
AMTCR California, LLC**

## [PROPOSED] ORDER

The provisions of the foregoing Consent Decree are hereby approved and compliance with all provisions thereof is HEREBY ORDERED. The Court hereby retains jurisdiction over this Consent Decree until its expiration or as determined by this Court.

IT IS SO ORDERED.

Date: \_\_\_\_\_

The Honorable Jennifer A. Dorsey  
United States District Court Judge

## **EXHIBIT A**

According to Defendants, there are currently eighteen (18) stores in operation and three (3) recently closed stores, as reflected below. For purposes of Monetary Relief and Claims Administration contained in Section IX of this Decree, the scope includes the twenty-one (21) stores listed below. For purposes of Injunctive Relief contained in Sections X and XI of this Decree, the scope is company-wide and includes all of Defendants' Nevada, California, and Arizona stores in operation at any time during the duration of this Decree and the eighteen (18) stores currently in operation listed below.

### **California Stores**

1. McDonalds 2034  
345 N. Imperial Ave  
Imperial, CA 92243
2. McDonalds 5177  
105 W. Main St  
Brawley, CA 92227
3. McDonalds 12653  
1990 S. 4<sup>th</sup> St  
El Centro, CA 92243
4. McDonalds 3112  
191 S. Lovekin Blvd.  
Blythe, CA 92225
5. McDonalds 5924  
1201 Third St  
Needles, CA 92363

### **Nevada Stores**

6. McDonalds 7790  
1237 Boulder City Prkwy  
Boulder City, NV 89005
7. McDonalds 25740  
670 US 95 South  
Searchlight, NV 89046
8. McDonalds 35508  
1900 S. Casino Dr  
Laughlin, NV 89029

### **Arizona Stores**

9. McDonalds 2967  
3264 Andy Devine Ave  
Kingman, AZ 86401
10. McDonalds 5526  
100 Swanson Ave  
Lake Havasu City, AZ 86403
11. McDonalds 10459  
1241 W. Main St  
Quartzsite, AZ 85346
12. McDonalds 12179  
990 Riverside Dr  
Parker, AZ 85344
13. McDonalds 16225  
4754 S. Hwy 95  
Fort Mohave, AZ 86426

14.McDonalds 24347  
2250 Hwy 95  
Bullhead City, AZ 86442

15.McDonalds 32685  
6501 Showplace Ave  
Lake Havasu City, AZ 86403

16.McDonalds 31782  
600 Hwy 95  
Bullhead City, AZ 86442

17.McDonalds 33234  
3431 Stockton Hill Rd.  
Kingman, AZ 86409

18.McDonalds 32787  
12500 Brannigan Park Rd  
Bellmont, AZ 86015

#### **Stores Currently Not in Operation**

19.McDonalds 31129  
2840 Hwy 95  
Bullhead City, AZ 86442

20.McDonalds 30877  
3396 Stockton Hill Rd  
Kingman, AZ 86409

21.McDonalds 30881  
2150 N. Waterman Ave  
El Centro CA, 92243



**U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION  
Los Angeles District Office**

255 E. Temple Street, 4<sup>th</sup> Floor  
Los Angeles, CA 90012  
(213) 894-1000  
TTY (213) 894-1121  
FAX (213) 894-1118

**NOTICE OF SETTLEMENT AND CONSENT DECREE**

TO: ALL EMPLOYEES

The U.S. Equal Employment Opportunity Commission (“EEOC”) filed a lawsuit in the United States District Court for the District of Nevada against AMTCR, Inc., AMTCR Nevada, Inc., and AMTCR California, LLC dba McDonald’s (the “AMTCR Companies”); Case Number 2:21-cv-01808-JAD (NJK). The EEOC filed this lawsuit alleging that the AMTCR Companies allowed employees to be subjected to sexually hostile work environment where some were forced to quit. The AMTCR Companies settled the case by entering into a “Consent Decree” with EEOC and paying monetary relief to victims identified by the EEOC. In the Consent Decree, the AMTCR Companies agreed to various types of injunctive remedies including ensuring that policies and procedures against sexual harassment are adequate under federal law; hiring an outside monitor to oversee compliance with the law; training employees and supervisors on how to stop and prevent sexual harassment; creating a centralized system of tracking complaints; and providing EEOC with periodic reporting regarding the injunctive remedies.

Under the Consent Decree, employees are being given notice that any violations of the AMTCR Companies’ policies against harassment and discrimination will be thoroughly investigated. Individuals found to have violated that policy will be subject to discipline up to and including termination of employment. All employees will undergo training to correct and prevent unlawful harassment and discrimination towards employees.

Federal law prohibits harassment or discrimination against any employee or applicant for employment because of a person’s age, disability, race, sex, color, religion or national origin, with respect to hiring, compensation, promotions, discharge, terms and conditions or privileges of employment. Federal law also prohibits retaliation for those who oppose or resist harassment or discrimination, or participate in investigations regarding complaints of discrimination.

The AMTCR Companies are committed to complying with federal anti-discrimination laws in all respects. Sex harassment or discrimination will not be tolerated. Any employee who files a complaint or formal charge of discrimination, gives testimony or assistance, or participates in any manner in any investigation will be protected from retaliation.

If you believe that you experienced inappropriate conduct of a sexual nature while working for the AMTCR Companies, you may submit a Claim Form to determine your eligibility for receiving monetary relief. You will receive additional information and a Claim Form to complete and return in the near future. If you require additional information or were discriminated against because of your sex, national origin, age, race, color, religion, or disability, you may seek assistance from:

**U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION**  
255 East Temple Street, 4<sup>th</sup> Floor  
Los Angeles, CA 90012  
TELEPHONE NUMBER: (213) 785-3095, Option 1  
EMAIL: AMTCRCLAIMANTS@eeoc.gov

Exhibit B